

**TABLE 8<sup>1</sup>**  
**Personal Income Tax Statistics**  
**TAXES PAID BY HIGH INCOME INDIVIDUALS**  
**1998 Taxable Year**

Income Concept Class	Number of Returns			Total Tax Liability (Thousands)	Number of Returns by Size of Average Tax Rate <sup>6</sup>								Number of Returns by Size of Average Tax			
	Total	Non-Taxable	Taxable		Under 1%	1% Under 2%	2% Under 3%	3% Under 5%	5% Under 7%	7% Under 9% and Over <sup>7</sup>	\$1 Under \$1,000	\$1,000 Under \$2,000	\$2,000 Under \$6,000	\$6,000 and Over		
Adjusted Gross Income <sup>2</sup>																
Under \$ 50,000	9,245,274	4,520,789	4,724,485	\$2,445,078	6,604,534	1,196,326	611,135	741,798	80,542	8,913	2,026	3,919,915	632,258	171,752	561	
50,000 to 100,000	2,464,792	60,636	2,404,156	5,435,542	266,176	438,953	629,725	727,586	375,898	26,077	377	447,072	727,104	1,198,547	31,433	
100,000 to 200,000	812,238	2,695	809,544	5,545,699	7,153	9,689	36,425	331,491	360,728	66,008	744	4,145	7,113	341,683	456,602	
200,000 and over	274,299	739	273,560	12,777,253	1,361	760	1,308	12,231	91,777	154,788	12,074	222	193	1,017	272,128	
Total	12,796,603	4,584,859	8,211,744	\$26,203,572	6,879,225	1,645,727	1,278,593	1,813,106	908,945	255,787	15,221	4,371,354	1,366,668	1,712,999	760,724	
AGI Plus Tax Preference Income <sup>3</sup>																
Under \$ 50,000	9,245,154	4,520,787	4,724,368	\$2,444,925	6,604,521	1,196,221	611,135	741,999	80,340	8,913	2,025	3,919,808	632,258	171,745	558	
50,000 to 100,000	2,464,765	60,635	2,404,129	5,435,412	266,145	439,065	629,617	727,585	375,898	26,077	377	447,147	727,104	1,198,446	31,433	
100,000 to 200,000	811,844	2,694	809,151	5,541,311	7,154	9,719	36,747	331,224	360,269	65,988	744	4,177	7,083	341,781	456,109	
200,000 and over	274,840	743	274,097	12,781,924	1,398	764	1,527	12,846	92,102	154,400	11,802	222	223	1,027	272,624	
Total	12,796,603	4,584,859	8,211,744	\$26,203,572	6,879,218	1,645,769	1,279,026	1,813,654	908,610	255,379	14,948	4,371,354	1,366,668	1,712,999	760,724	
AGI Less Investment Interest <sup>4</sup>																
Under \$ 50,000	9,247,560	4,521,824	4,725,735	\$2,446,481	6,604,993	1,196,504	611,542	742,306	80,645	8,943	2,626	3,920,695	632,677	171,793	570	
50,000 to 100,000	2,465,216	59,953	2,405,264	5,443,774	265,365	438,128	629,772	728,342	375,538	27,695	377	446,596	726,891	1,199,792	31,985	
100,000 to 200,000	811,817	2,466	809,351	5,557,782	6,724	9,428	35,714	330,885	361,055	67,239	771	3,879	7,016	340,650	457,806	
200,000 and over	272,010	615	271,395	12,755,535	1,018	614	1,031	10,962	89,571	155,095	13,719	184	84	765	270,363	
Total	12,796,603	4,584,859	8,211,744	\$26,203,572	6,878,099	1,644,674	1,278,059	1,812,495	906,809	258,973	17,493	4,371,354	1,366,668	1,712,999	760,724	
Expanded Income <sup>5</sup>																
Under \$ 50,000	9,247,410	4,521,792	4,725,617	\$2,446,327	6,604,949	1,196,398	611,542	742,508	80,443	8,943	2,625	3,920,588	632,677	171,786	567	
50,000 to 100,000	2,465,251	59,983	2,405,268	5,443,714	265,375	438,231	629,695	728,341	375,538	27,695	377	446,671	726,891	1,199,721	31,985	
100,000 to 200,000	811,346	2,463	808,883	5,552,854	6,723	9,458	36,006	330,571	360,599	67,219	771	3,912	6,986	340,717	457,268	
200,000 and over	272,596	620	271,976	12,760,677	1,055	615	1,253	11,585	90,002	154,689	13,397	184	114	775	270,903	
Total	12,796,603	4,584,859	8,211,744	\$26,203,572	6,878,103	1,644,703	1,278,496	1,813,004	906,582	258,546	17,170	4,371,354	1,366,668	1,712,999	760,724	

1 Detail may not add to totals due to tolerance and rounding.

2 Adjusted gross income less business expenses and adjustments to income. Transfer payments such as social security, unemployment insurance, and welfare are excluded. Other significant differences from personal income are the inclusion of capital gains and the exclusion of the value of personal services.

3 Tax preference income is the amount reported on Schedule P of the tax return and includes the excluded portion of capital gains, accelerated depreciation amount in excess of straight line, excess depletion and several other statutory amounts.

4 Investment expenses are interest expenses, other than mortgage interest, that do not exceed investment income.

5 Expanded income is adjusted gross income plus tax preference income less investment expenses.

6 Average tax rate is the net tax divided by the income, as defined in the income concept.

7 These returns with an average tax rate equal to or greater than 9% of the income concept used have either alternative minimum tax or the tax on accumulation distributions. See Revenue and Taxation Code Section 17062-17066 for alternative minimum tax or Sections 17731-17839 for rules relating to estates, trusts, beneficiaries, and decedents.